

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 02656 021908Z

64

ACTION EUR-25

INFO OCT-01 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02

OMB-01 SWF-02 DRC-01 /194 W
----- 011085

R 021732Z MAY 74

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 6811

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION GENEVA

USMISSION OECD PARIS

LIMITED OFFICIAL USE EC BRUSSELS 2656

PASS AGRICULTURE

E.O. 11652: NA

TAGS: EAGR, OCON, EEC

SUBJECT: EC COUNCIL OF MINISTERS (AGRICULTURAL) APRIL 29-30
MEETING

REF: A. EC BRUSSELS 2593 B. ROME 5976 C. EC A-66
D. EC BRUSSELS 2305 E. EC A-290 OF 7/30/73

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 02656 021908Z

1. SUMMARY. THE EC COUNCIL OF MINISTERS (AGRICULTURAL)

FINISHED A TWO-DAY MEETING IN LUXEMBOURG IN APRIL 30 IN A CONFUSED ATMOSPHERE RESULTING FROM THE ANNOUNCEMENT BY ITALY OF ITS ADVANCE DEPOSIT SYSTEM FOR IMPORTS (REF B.). CONCERNS OVER THE EFFECTS OF THIS ITALIAN MEASURE OVERSHADOWED THE COUNCIL'S DISCUSSIONS ON BEEF AND BROUGHT THE MEETING TO A RELATIVELY EARLY HALT ON APRIL 30. DURING THE MEETING, THE COMMISSION ANNOUNCED A SERIES OF MEASURES IN THE LIVESTOCK SECTOR WHICH ARE GEARED BASICALLY TO INCREASE EXPORTS AND MAKE IMPORTATION OF BEEF FROM THIRD COUNTRIES MORE DIFFICULT. THE COUNCIL ADOPTED REGULATIONS ESTABLISHING A CAP FOR DEHYDRATED FORAGE AND SUBSIDIES FOR ITALIAN WRAPPER TOBACCO. ALSO FORMALLY ADOPTED WERE A SERIES OF REGULATIONS FIXING THE 1974/75 SUPPORT PRICES FOR GRAINS, SUGAR AND OILSEEDS. THE PROPOSED SOYBEAN CAP AND THE PROPOSALS ON THE COMMUNITY'S FUTURE SUGAR POLICY WERE NOT DISCUSSED. END SUMMARY.

2. THE EC COUNCIL OF AGRICULTURAL MINISTERS, MEETING IN LUXEMBOURG IN APRIL 29-30, PRIMARILY DISCUSSED WAYS AND MEANS OF BOLSTERING SAGGING PRODUCER PRICES FOR LIVESTOCK. THE DISCUSSIONS CENTERED AROUND A SERIES OF REMEDIAL MEASURES THAT THE COMMISSION ANNOUNCED IT INTENDED TO APPLY IN THE BEEF, PORK, AND POULTRY SECTORS. THE MEETING, WHICH HAD BEEN EXPECTED TO CONTINUE UNTIL MIDNIGHT ON APRIL 30, ENDED SEVERAL HOURS EARLIER, PRIMARILY BECAUSE OF THE ITALIAN ACTION TO REQUIRE ADVANCE DEPOSITS ON IMPORTS. NEWS OF THE ITALIAN MEASURE, AND CONCERNS OVER ITS MEANING AS REGARD IMPORTS OF AGRICULTURAL PRODUCTS (PARTICULARLY BEEF) INTO ITALY, BROUGHT THE COUNCIL MEETING TO A CONFUSED END.

3. THE MEASURES ANNOUNCED BY THE COMMISSION TO IMPROVE THE MARKET SITUATION IN THE LIVESTOCK SECTOR INCLUDE A 7-DAY BAN ON THE ISSUANCE OF BEEF IMPORT LICENSES, A REDUCTION IN THE NORMAL PERIODS OF VALIDITY OF BEEF IMPORT LICENSES (ISSUED AFTER THE BAN EXPIRES), INCREASED EXPORT SUBSIDIES FOR POULTRY AND POSSIBLY PORK, THE ABOLITION OF SPECIAL IMPORT TERMS FOR YOUNG CATTLE FOR FATTENING AND FOR FROZEN BEEF, THE INTRODUCTION OF MONETARY COMPENSATORY AMOUNTS FOR FROZEN BEEF FOR PROCESSING, AND THE IMPOSITION OF SUPPLEMENTARY LEVIES ON IMPORTS OF PORK. IN ADDITION, THE COMMISSION ANNOUNCED ITS INTENTION (A) TO AUTHORIZE THE SALE OF INTERVENTION BEEF TO PUBLIC INSTITUTIONS SUCH AS SCHOOLS AND HOSPITALS AND (B) TO REQUIRE THAT IMPORTER OF FROZEN BEEF PURCHASE FROM INTERVENTION AGENCIES QUANTITIES OF BEEF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 02656 021908Z

EQUAL TO THOSE FOR WHICH IMPORT LICENSES ARE REQUESTED. WE UNDERSTAND THAT FROZEN BEEF IMPORTED UNDER THE GATT-BOUND QUOTA WILL BE EXEMPT FROM THIS NEW IMPORT SYSTEM.

4. WITH THE EXCEPTION OF ITALIAN MINISTER BISAGLIA, THE MINISTERS FOUND THE COMMISSION MEASURES ACCEPTABLE, BUT MANY DOUBTS WERE EXPRESSED AS TO THEIR EFFECTIVENESS. THE ITALIAN MINISTER TERMED THE COMMISSION MEASURES COMPLETELY INADEQUATE. PEART, THE BRITISH

MINISTER, SAID THE COMMISSION MEASURES COULD ONLY BE TEMPORARY. HE DOUBTED THEIR EFFECTIVENESS, AND CALLED FOR AN URGENT EXAMINATION IN DEPTH OF THE BEEF CAP. PEART SAID THAT THE CURRENT DIFFICULTIES IN THE BEEF SECTOR, AND THE INCREASING INTERVENTION STOCKS (CURRENTLY TOTALING 75,000 METRIC TONS) ARE EVIDENCE THAT THE CAP SYSTEM FOR BEEF IS NOT WORKING AND NEEDS TO BE CHANGED. HE DID NOT, HOWEVER, SAY WHAT CHANGES HE WOULD RECOMMEND.

5. THE COUNCIL FORMALLY ADOPTED A REGULATION ESTABLISHING A CAP FOR DEHYDRATED FORAGE INCLUDING ALFALFA. IT MAY BE RECALLED THAT AT ITS MEETING ON MARCH 21-23 (REF C), THE COUNCIL AGREED IN PRINCIPLE TO A CAP FOR DEHYDRATED FOREAGE. THIS CAP PROVIDES FOR AN ANNUAL SUBSIDY TO DEHYDRATORS OF ALFALFA, CLOVER, VETCHES, ETC. FOR THE 1974/75 SEASON BEGINNING MAY 15, THE SUBSIDY WAS FIXED BY THE COUNCIL AT 6 U.A. PER METRIC TON OF DEHYDRATED FOREAGE PRODUCED. DURING THE DISCUSSION OF THE DEHYDRATED FORAGE CAP, THE COMMISSION ANNOUNCED ITS INTENTION TO PROPOSE SOON TO THE COUNCIL A REGULATION GRANTING SUBSIDIES ALSO FOR DEHYDRATED POTATOES.

6. THE COUNCIL ALSO ADOPTED A REGULATION PROVIDING FOR A SPECIAL SUBSIDY TO BE GRANTED TO PROCESSORS OF DOMESTIC WRAPPER TOBACCO HARVESTED IN 1968 AND 1969. THE SUBSIDY, TO BE GRANTED FOR PROCESSING TO THE TOBACCO VARIETIES ROUND TIP, SCAFATI, AND SUMATRA I, AMOUNTS TO 4.449 U.A. PER KG. (OF BALED TOBACCO).

7. A SERIES OF REGULATIONS FIXING THE 1974/75 INTERVENTION PRICES FOR GRAINS, SUGAR AND OILSEEDS WERE FORMALLY APPROVED BY THE COUNCIL. ALSO APPROVED WAS A REGULATION ESTABLISHING THE SUBSIDIES FOR SEEDS.

8. THE COUNCIL DID NOT DISCUSS THE PROPOSED CAP FOR SOYBEANS (REF C) OR THE PROPOSALS CONCERNING THE COMMUNITY'S FUTURE SUGAR POLICY (REF D). THE SPECIAL AGRICULTURAL COMMITTEE WILL PROBABLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 EC BRU 02656 021908Z

BEGIN DISCUSSIONS ON THE PROPOSED SOYBEAN CAP NEXT WEEK.

9. THE NEXT MEETING OF THE COUNCIL OF AGRICULTURAL MINISTERS IS SCHEDULED FOR MAY 20-21. GREENWALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CAP, AGRICULTURAL PRODUCTION, SOYBEANS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ECBRU02656
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740105-1036
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740580/aaaacucy.tel
Line Count: 158
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. EC BRUSSELS 2593 B. ROME 5976 C., EC A-66
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 01 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 APR 2002 by cunninfx>; APPROVED <11 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC COUNCIL OF MINISTERS (AGRICULTURAL) APRIL 29-30 MEETING
TAGS: EAGR, OCON, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005